NOTIFICATION.

Department of Law and Parliamentary Affairs.

No. LAW 87 LCA 67, Bangalore, dated 19th September 1967.

Ordered that the Contract Labour (Regulation and Abolition)Bill, 1967 (Bill No 108 of 1967), which has been published in the *Gazette of India*, Extraordinary, Part II, Section 2, dated the 31st July 1967, be republished in the *Mysore Gazette*, for general information.

By Order and in the name of the Governor of Mysore,

H. K. Ananthasubba Rao,
Under Secretary to Government,
Department of Law and Parliamentary Affairs.

LOK SABHA

The following Bill was introduced in Loka Sabha on the 31st July, 1967 :—

Bill No. 108 of 1967

A Bill to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances and for matters connected therewith.

Be it enacted by Parliament in the Eighteenth Year of the Republic of India as follows :—

CHAPTER I

Preliminary

1. Short title, extent, commencement and application.— (1) This Act may be called the Contract Labour (Regulation and Abolition) Act, 1967.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act.

(4) It applies—

(a) to every establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour;

(b) to every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen:

Provided that the appropriate Government may, after giving not less than two months' notice of its intention so to do, by notification in the Official Gazette, apply the provisions of this Act to any establishment or contractor employing such number of workmen less than twenty as may be specified in the notification.

(5) (a) It shall not apply to establishments in which work only of an intermittent or casual nature is performed.

(b) If a question arises whether work performed in an establishment is of an intermittent or casual nature, the decision of the appropriate Government thereon shall be final.

2. **Definitions.**—In this Act, unless the context otherwise requires,—

(a) "appropriate Government" means,—

(1) in relation to—

(i) any establishment pertaining to any industry carried on by or under the authority of the Central Government or pertaining to any such

controlled industry as may be specified in this behalf by the Central Government, or

(ii) any establishment of any railway, Cantonment Board, major port, mine or oil-field, or

(iii) any establishment of a banking or insurance company,

the Central Government,

(2) in relation to any other establishment, the Government of the State in which that other establishment is situated;

(b) a workman shall be deemed to be employed as "contract labour" in or in connection with the work of an establishment when he is hired in or in connection with such work by or through a contractor, with or without the knowledge of the principal employer;

(c) "contractor", in relation to an establishment, means a person who undertakes to produce a given result for the establishment, other than a mere supply of goods or articles of manufacture to such establishment, through contract labour or who supplies contract labour for any work of the establishment and includes a sub-contractor;

(d) "controlled industry" means any industry the control of which by the Union has been declared by any Central Act to be expedient in the public interest;

(e) "establishment" means—

(i) any office or department of the Government or a local authority, or

(ii) any place where any industry, trade, business, manufacture or occupation is carried on;

(f) "prescribed" means prescribed by rules made under this Act;

(g) "principal employer" means—

(i) in relation to any office or department of the Government or a local authority, the head of that office or department or such other officer as

the Government or the local authority, as the case may be, may specify in this behalf,

(*ii*) in a factory, the owner or occupier of the factory and where a person has been named as the manager of the factory under the Factories Act, 1948 (63 of 1948), the person so named,

(*iii*) in a mine, the owner or agent of the mine and where a person has been named as the manager of the mine, the person so named,

(*iv*) in any other establishment, any person responsible for the supervision and control of the establishment ;

Explanation.—For the purpose of sub-clause (*iii*) of this clause, the expressions "mine", "owner" and "agent" shall have the meanings respectively assigned to them in clause (*j*), clause (*l*) and clause (*c*) of sub-section (1) of section 2 of the Mines Act, 1952 (35 of 1952);

(*h*) "wages" shall have the meaning assigned to it in clause (*vi*) of section 2 of the Payment of Wages Act, 1936 (4 of 1936);

(*i*) "workman" means any person employed in or in connection with the work of any establishment to do any skilled, semi-skilled or unskilled manual, supervisory, technical or clerical work for hire or reward, whether the terms of employment be express or implied, but does not include any such person—

(*A*) who is employed mainly in a managerial or administrative capacity ; or

(*B*) who, being employed in a supervisory capacity draws wages exceeding five hundred rupees per mensem or exercises, either by the nature of the duties attached to the office or by reason of the powers vested in him, functions mainly of a managerial nature ; or

(*C*) who is an out-worker, that is to say, a person to whom any articles or materials are given out by or on behalf of the principal employer to be made up, cleaned, washed, altered, ornamented, finished, repaired, adapted or otherwise processed for sale for the purposes of the trade or business of the principal employer and the process is to be carried out either in the home of the out-worker or in some other premises, not being premises under the control and management of the principal employer.

CHAPTER II

THE ADVISORY BOARDS

3. Central Advisory Board.—(*1*) *The Central Government shall, as soon as may be, constitute a board to be called the Central Advisory Contract Labour Board (hereinafter referred to as the Central Board) to advise the Central Government on such matters arising out of the administration of this Act as may be referred to it and to carry out other functions assigned to it under this Act.*

(2) The Central Board shall consist of—

(*a*) a Chairman to be appointed by the Central Government;

(*b*) the Chief Labour Commissioner (Central), *ex-officio*;

(*c*) such number of members, not exceeding seventeen, as the Central Government may nominate to represent that Government, the Railways, the coal industry, the mining industry, the contractors, the workmen and any other interests which, in the opinion of the Central Government, ought to be represented on the Central Board.

(3) The number of persons to be appointed as members from each of the categories specified in sub-section (2), the term of office and other conditions of service of, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the Central Board shall be such as may be prescribed.

4. State Advisory Board.—(1) The State Government may constitute a board to be called the State Advisory Contract Labour Board (hereinafter referred to as the State Board) to advise the State Government on such matters arising out of the administration of this Act as may be referred to it and to carry out other functions assigned to it under this Act.

(2) The State Board shall consist of—

(*a*) a Chairman to be appointed by the State Government;

(*b*) the Labour Commissioner, *ex-officio*, or in his absence any other officer nominated by the State Government in that behalf;

(*c*) such number of members, not exceeding eleven, as the State Government may nominate to represent that Government, the industry, the contractors, the workmen and any other interests which, in the opinion of the State Government, ought to be represented on the State Board.

(3) The number of persons to be appointed as members from each of the categories specified in sub-section (2), the term of office and other conditions of service of the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the State Board shall be such as may be prescribed.

5. Power to constitute committees.—(1) *The Central Board or the State Board, as the case may be, may constitute such committees and for such purpose or purposes as it may think fit.*

(2) The committee constituted under sub-section (1) shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings as may be prescribed.

(3) *The members of a committee shall be paid such fees and allowances for attending its meetings as may be prescribed:*

Provided that no fees shall be payable to a member who is an officer of Government or of any corporation established by any law for the time being in force.

CHAPTER III

REGISTRATION OF ESTABLISHMENTS EMPLOYING CONTRACT LABOUR

6. Appointment of registering Officers.—The appropriate Government may, by an order notified in the official Gazette—

(a) *appoint such persons, being Gazetted Officers of Government, as it thinks fit to be registering officers for the purposes of this Chapter; and*

(b) define the limits within which a registering officer shall exercise the powers conferred on him by or under this Act.

7. Registration of certain establishments.—(1) Every principal employer of an establishment to which this Act applies shall, within such period as the appropriate Government may, by notification in the Official Gazette, fix in this behalf with respect to establishments generally or with respect to any class of them, make an application to the registering officer in the prescribed manner for registration of the establishment:

Provided that the registering officer may entertain any such application for registration after expiry of the

period fixed in this behalf, if the registering officer is satisfied that the applicant was prevented by sufficient cause from making the application in time.

(2) If the application for registration is complete in all respects, the registering officer shall register the establishment and issue to the principal employer of the establishment a certificate of registration containing such particulars as may be prescribed.

8. Revocation of registration in certain cases.—If the registering officer is satisfied, either on a reference made to him in this behalf or otherwise, that the registration of any establishment has been obtained by misrepresentation or suppression of any material fact, or that for any other reason the registration has become useless or ineffective and, therefore, requires to be revoked, the registering officer may, after giving an opportunity to the principal employer of the establishment to be heard and with the previous approval of the appropriate Government, revoke the registration.

9. Effect of non-registration — No principal employer of an establishment, to which this Act applies, shall—

(*a*) in the case of an establishment required to be registered under section 7, but which has not been registered within the time fixed for the purpose under that section,

(*b*) in the case of an establishment the registration in respect of which has been revoked under section 8, employ contract labour in the establishment after the expiry of the period referred to in clause (*a*) or after the revocation of registration referred to in clause (*b*), as the case may be.

10. Prohibition of employment of contract labour.—(1) Notwithstanding anything contained in this Act, the appropriate Government may, after consultation with the Central Board or, as the case may be, a State Board, prohibit, by notification in the Official Gazette, employment of contract labour in any process, operation or other work in any establishment.

(2) Before issuing any notification under sub-section (1) in relation to an establishment, the appropriate Government shall have regard to the conditions of work and benefits provided for the contract labour in that establishment and other relevant factors, such as—

(*a*) whether the process, operation or other work is incidental to, or necessary for the industry, trade, business, manufacture or occupation that is carried on in the establishment;

(*b*) whether it is of perennial nature, that is to say it is of sufficient duration having regard to the nature of industry, trade, business, manufacture or occupation carried on in that establishment;

(*c*) whether it is done ordinarily through regular workmen in that establishment or an establishment similar thereto;

(*d*) whether it is sufficient to employ considerable number of whole time workmen.

Explanation.—If a question arises whether any process or operation or other work is of perennial nature, the decision of the appropriate Government thereon shall be final.

CHAPTER IV

LICENSING OF CONTRACTORS

11. Appointment of licensing officers.—The appropriate Government may, by an order notified in the Official Gazette,—

(a) *appoint such persons being Gazetted Officers of Government as it thinks fit to be licensing officers for the purposes of this Chapter; and*

(b) define the limits, within which a licensing officer shall exercise the powers conferred on licensing officers by or under this Act.

12. Licensing of contractors.—(1) With effect from such date as the appropriate Government may, by notification in the Official Gazette, appoint no contractor to whom this Act applies, shall undertake or execute any work through contract labour except under and in accordance with a licence issued in that behalf by the licensing officer.

(2) Subject to the provisions of this Act, a licence under sub-section (1) may contain such conditions including, in particular, conditions as to hours of work, fixation of minimum wages and other essential amenities in respect of contract labour as the appropriate Government may deem fit to impose in accordance with the rules, if any, made under section 35 and shall be issued on payment of such fees and on the deposit of such sum, if any, as security for the due performance of the conditions as may be prescribed.

13. Grant of licences.—(1) Every application for the grant of a licence under sub-section (1) of section 12 shall be made in the prescribed form and shall contain the particulars regarding the location of the establishment, the nature of process, operation or work for which contract labour is to be employed and such other particulars as may be prescribed.

(2) The licensing officer may make such investigation in respect of the application received under sub-section (1) and in making any such investigation the licensing officer shall follow such procedure as may be prescribed.

(3) A licence granted under this Chapter shall be valid for the period specified therein and may be renewed from time to time for such period and on payment of such fees and on such conditions as may be prescribed.

14. Revocation, suspension and amendment of licences.—(1) If the licensing officer is satisfied, either on a reference made to him in this behalf or otherwise, that—

(*a*) a licence granted under section 12 has been obtained by misrepresentation or suppression of any material fact, or

(*b*) the holder of a licence has, without reasonable cause, failed to comply with the conditions subject to which the licence has been granted or has contravened any of the provisions of this Act or the rules made thereunder,

then, without prejudice to any other penalty to which the holder of the licence may be liable under this Act, the licensing officer may, after giving the holder of the licence an opportunity of showing cause, revoke or suspend the licence or forfeit the sum, if any, or any portion thereof deposited as security for the due performance of the conditions subject to which the licence has been granted.

(2) Subject to any rules that may be made in this behalf, the licensing officer may vary or amend a licence granted under Section 12.

15. Appeal.—(1) Any person aggrieved by an order made under Section 7, Section 8, Section 12 or Section 14 may, within thirty days from the date on which the order is communicated to him, prefer an appeal to an appellate officer who shall be a person nominated in this behalf by the appropriate Government:

Provided that the appellate officer may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) On receipt of an appeal under sub-section (1), the appellate officer shall, after giving the appellant an opportunity of being heard dispose of the appeal as expeditiously as possible.

CHAPTER V

WELFARE AND HEALTH OF CONTRACT LABOUR

16. Canteens.—(1) The appropriate Government may make rules requiring that in every establishment—

(*a*) to which this Act applies,

(*b*) wherein work requiring employment of contract labour is likely to continue for such period as may be prescribed, and

(*c*) wherein contract labour numbering one hundred or more is ordinarily employed by a contractor,

one or more canteens shall be provided and maintained by the contractor for the use of such contract labour.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

(*a*) the date by which the canteens shall be provided ;

(*b*) the number of canteens that shall be provided and the standards in respect of construction, accommodation, furniture and other equipment of the canteens ; and

(*c*) the foodstuffs which may be served therein and the charges which may be made therefor.

17. Rest rooms.—(1) In every place wherein contract labour is required to halt at night in connection with the work of an establishment—

(*a*) the which this Act applies, and

(*b*) in which work requiring employment of contract labour is likely to continue for such period as may be prescribed,

there shall be provided and maintained by the contractor for the use of the contract labour such number of rest-rooms or such other suitable alternative accommodation within such time as may be prescribed.

(2) The rest-rooms or the alternative accommodation to be provided under sub-section (1) shall be sufficiently lighted and ventilated and shall be maintained in a clean and comfortable condition.

18. Other facilities.—It shall be the duty of every contractor employing contract labour in connection with

the work of an establishment to which this Act applies, to provide and maintain—

(*a*) a sufficient supply of wholesome drinking water for the contract labour at convenient places;

(*b*) a sufficient number of latrines and urinals of the prescribed types so situated as to be convenient and accessible to the contract labour in the establishment; and

(*c*) washing facilities.

19. First aid facilities.—There shall be provided and maintained by the contractor so as to be readily accessible during all working hours a first-aid box equipped with the prescribed contents at every place where contract labour is employed by him.

20. Liability of principal employer in certain cases.—(1) If any amenity required to be provided under section 16, section 17, section 18 or section 19 for the benefit of the contract labour employed in an establishment is not provided by the contractor within the time prescribed therefor, such amenity shall be provided by the principal employer within such time as may be prescribed.

(2) All expenses incurred by the principal employer in providing the amenity may be recovered by the principal employer from the contractor either by deduction from any amount payable to the contractor under any contract or as a debt payable by the contractor.

contractor under any contract or as a debt payable by the contractor.

21. Responsibility for payment of wages.—(1) A contractor shall be responsible for payment of wages to each worker employed by him as contract labour and such wages shall be paid before the expiry of such period as may be prescribed.

(2) Every principal employer shall nominate a representative duly authorised by him to be present at the

time of disbursement of wages by the contractor and it shall be the duty of such representative to certify the amounts paid as wages in such manner as may be prescribed.

(3) It shall be the duty of the contractor to ensure the disbursement of wages in the presence of the authorised representative of the principal employer.

(4) In case the contractor fails to make payment of wages within the prescribed period or makes short payment, then the principal employer shall be liable to make payment of wages in full or the unpaid balance due, as the case may be, to the contract labour employed by the contractor and recover the amount so paid from the contractor either by deduction from any amount payable to the contractor under any contract or as a debt payable by the contractor.

CHAPTER VI

PENALTIES AND PROCEDURE

22. Obstructions.—(1) Whoever obstructs an inspector in the discharge of his duties under this Act or refuses or wilfully neglects to afford the inspector any reasonable facility for making any inspection, examination, inquiry or investigation authorised by or under this Act in relation to an establishment to which, or a contractor to whom, this Act applies, shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both.

(2) Whoever wilfully refuses to produce on the demand of an inspector any register or other document kept in pursuance of this Act or prevents or attempts to prevent or does anything which he has reason to believe is likely to prevent any person from appearing before or being examined by an inspector acting in pursuance of his duties under this Act, shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both.

23. Contravention of provisions regarding employment of contract labour.—Whoever contravenes any provision of this Act or of any rules made thereunder prohibiting, restricting or regulating the employment of contract labour, or contravenes any condition of a licence granted under this Act, shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to one thousand rupees, or with both, and in the case of a continuing contravention with an additional fine which may extend to one hundred rupees for every day during which such contravention continues after conviction for the first such contravention.

24. Other offences.—If any person contravenes any of the provisions of this Act or of any rules made thereunder for which no other penalty is elsewhere provided, he shall be punishable with imprisonment for a term which may extend to three months or with fine which may extend to one-thousand rupees, or with both.

25. Offences by companies.—(1) If the person committing an offence under this Act is a company, the company as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of the commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or that the commission of the offence is attributable to any neglect on the part of any director, manager, managing agent or any other officer of the company, such director,

manager, managing agent or such other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation:—For the purpose of this section—

(*a*) "company" means any body corporate and includes a firm or other association of individuals; and

(*b*) "director", in relation to a firm, means a partner in the firm.

26. Cognizance of offences.—No court shall take cognizance of any offence under this Act except on a complaint made by, or with the previous sanction in writing of, the inspector and no court inferior to that of a Presidency Magistrate or a magistrate of the first class shall try any offence punishable under this Act.

27. Limitation of prosecutions.—No court shall take cognizance of an offence punishable under this Act unless the complaint thereof is made within three months from the date on which the alleged commission of the offence came to the knowledge of an inspector:

Provided that where the offence consists of disobeying a written order made by an inspector, complaint thereof may be made within six months of the date on which the offence is alleged to have been committed.

CHAPTER VII

MISCELLANEOUS

28. Inspecting staff.—The appropriate Government may, by notification in the Official Gazette, appoint such persons as it thinks fit to be inspectors for the purposes of this Act, and define the local limits within which they shall exercise their powers under this Act.

(2) Subject to any rules made in this behalf, an inspector may, within the local limits for which he is appointed.—

(*a*) enter, at all reasonable hours, with such assistance (if any), being persons in the service of the Government or any local or other public authority as he thinks fit, any premises or place where contract labour is employed, for the purpose of examining any register or record or notices required to be kept or exhibited by or under this Act or rules made there-under, and require the production thereof for inspection ;

(*b*) examine any person whom he finds in any such premises or place and who, he has reasonable cause to believe, is a workman employed therein;

(*c*) require any person giving out work and any workman, to give any information, which is in his power to give with respect to the names and addresses of the persons to, for and from whom the work is given out or received, and with respect to the payments to be made for the work ;

(*d*) Seize or take copies of such register, record of wages or notices or portions thereof as he may consider relevant in respect of an offence under this Act, which he has reason to believe has been committed by the principal employer ; and

(*e*) exercise such other powers as may be prescribed.

(3) Any person required to produce any document or thing or to give any information required by an inspector under sub-section (*2*) shall be deemed to be legally bound to do so within the meaning of section 175 and section 176 (45 of 1860) of the Indian Penal Code.

(*4*) The provisons of the Code of Criminal Procedure 1898, (5 of 1898.) shall so far as may be, apply to any search or seizure under sub-section (2) as they apply to any search or seizure made under the authority of a warrant issued under section 98 of the said Code.

29. Registers and other records to be maintained.—(1) Every principal employer and every contractor shall maintain such registers and records giving such particulars of contract labour employed, the nature of work performed by the contract labour, the rates of wages paid to the contract labour and such other particulars in such form as may be prescribed.

(2) Every principal employer and every contractor shall keep exhibited in such manner as may be prescribed within the premises of the establishment where the contract labour is employed, notices in the prescribed form containing particulars about the hours of work, nature of duty and such other information as may be prescribed.

30. Effect of laws and agreements inconsistent with this Act.—(1) The provisions of this Act, shall have effect notwithstanding anything inconsistent therewith contained in any other law or in the terms of any agreement or contract of service, or in any standing orders applicable to the establishment whether made before or after the commencement of this Act:

Provided that where under any such agreement, contract of service or standing orders the contract labour employed in the establishment are entitled to benefits in respect of any matter which are more favourable to them than those to which they would be entitled under this Act, the contract labour shall continue to be entitled to the more favourable benefits in respect of that matter, notwithstanding that they receive benefits in respect of other matters under this Act.

(2) Nothing contained in this Act shall be construed as precluding any such contract labour from entering into an agreement with the principal employer or the contractor as the case may be, for granting them rights or privileges in respect of any matter which are more favourable to them than those ot which they would be entitled under this Act.

31. Power to exempt in special cases.—The appropriate Government, may, if in its opinion it is necessary or

expedient so to do, direct, by notification in the Official Gazette, that subject to such conditions and restrictions, if any, and for such period or periods, as may be specified in the notification, all or any of the provisions of this Act or the rules made thereunder shall not apply to any establishment or class of establishments or any class of contractors.

32. Protection of action taken under this Act.—(1) No suit, prosecution or other legal proceeding shall lie against any registering officer, licensing officer or any other Government servant or against any member of the Central Board or the State Board, as the case may be, for anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order made thereunder.

(2) No suit or other legal proceeding shall lie against the Government for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order made thereunder.

33. Power to give directions.—The Central Government may give directions to the Government of any State as to the carrying into execution in the State of the provisions contained in this Act.

34. Power to remove difficulties.—If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act, as appears to it to be necessary or expedient for removing the difficulty.

35. Power to make rules.—(1) The appropriate Government may, subject to the condition of previous publication, make rules for carrying out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely :—

(*a*) the number of persons to be appointed as members representing various interests on the

Central Board and the State Board, the term of their office and other conditions of service, the procedure to be followed in the discharge of their functions and the manner of filling vacancies;

(*b*) the times and places of the meetings of any committee constituted under this Act, the procedure to be followed at such meetings including the quorum necessary for the transaction of business, and the fees and allowances that may be paid to the members of a committee;

(*c*) the manner in which establishments may be registered under section 7, the levy of a fee therefor and the form of certificate of registration;

(*d*) the form of application for the grant or renewal of a licence under section 13 and the particulars it may contain;

(*e*) the manner in which an investigation is to be made in respect of an application for the grant of a licence and the matters to be taken into account in granting or refusing a licence;

(*f*) the form of a licence which may be granted or renewed under section 12 and the conditions subject to which the licence may be granted or renewed, the fees to be levied for the grant or renewal of a licence and the deposit of any sum as security for the performance of such conditions;

(*g*) the circumstances under which licences may be varied or amended under section 14;

(*h*) the form and manner in which appeals may be filed under section 15 and the procedure to be followed by appellate officers in disposing of the appeals;

(*i*) the time within which facilities required by this Act to be provided and maintained may be so

provided by the contractor and in case of default on the part of the contractor, by the principal employer ;

(*j*) the number and types of canteens, rest-rooms, latrines and urinals that should be provided and maintained ;

(*k*) the type of equipment that should be provided in the first-aid boxes ;

(*l*) the period within which wages payable to contract labour should be paid by the contractor under sub-section (1) of section 21 ;

(m) the form of registers and records to be maintained the by principal employers and contractors ;

(n) the submission of returns, forms in which, and the authorities to which, such returns may be submitted ;

(o) the collection of any information or statistics in relation to contract labour ; and

(p) any other matter which has to be, or may be, prescribed under this Act.

(3) Every rule made by the Central Government under this Act shall be laid as soon as may be after it is made, before each house of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

STATEMENT OF OBJECTS AND REASONS

The system of employment of contract labour lends itself to various abuses. The question of its abolition has been under the consideration of Government for a long time. In the Second-Five Year Plan, the Planning Commission made certain recommendations, namely, undertaking of studies to ascertain the extent of the problem of contract labour, progressive abolition of the system and improvement of service conditions of contract labour where the abolition was not posssible. The matter was discussed at various meetings of Tripartite Committees at which the State Governments were also represented and the general consensus of opinion was that the system should be abolished wherever possible and practicable and that in cases where this system could not be abolished altogether, the working conditions of the contract labour should be regulated se as to ensure payment of wages and provision of essential amenities.

2. The proposed Bill aims at the abolition of contract labour in respect of such categories as may be notified by the appropriate Government in the light of certain criteria that have been laid down, and at regulating the service conditions of contract labour where abolition is not possible. The Bill provides for the setting up of Advisory Boards of tripartite character, representing various interests, to advise the Central and State Governments in administering the legislation and registration of establishments and contractors. Under the scheme of the Bill, the provision and maintenance of certain basic welfare amenities for contract labour, like drinking water and first-aid facilities, and in certain cases rest-rooms and canteens, have been made obligatory. Provisions have also been made to guard against defaults in the matter of wage payment.

NEW DELHI; JAISUKHLAL HATHI.

The 3rd June 1967.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE CONSTITUTION OF INDIA

[Copy of letter No. LWI (I) 14 (4)/67, dated the 29th June, 1967 from Shri Jai Sukh Lal Hathi, Minister of Labour, Employment and Rehabilitation to the Secretary, Lok Sabha.]

The President, having been informed of the subject matter of the above Bill, has recommended it, under article 117 (3) of the Constitution, for consideration of the Lok Sabha.

FINANCIAL MEMORANDUM

The following clauses of the Contract Labour (Regulation and Abolition) Bill involve expenditure to the Central Government :—

(1) Clause 3—Constitution of a Central Advisory Board.

(2) Clause 5—Appointment of Committees by the Central Advisory Board.

(3) Clause 6-Registration of establishments (Appointment of registering officers for the Central sphere.)

(4) Clause 11—Appointment of licensing officers and issue of licences for the Central sphere.

(5) Clause 28—Appointment of inspecting staff by the Central Government.

2. It is proposed to entrust the enforcement of the provisions of the Bill in all establishments in respect of which the Central Government is 'appropriate' Government *i.e.* work relating to registration of establishments employing contract labour (clause 6), licensing of contractors (clause 11), inspections (clause 28), etc., to the Central Industrial Relations Machinery. It may be necessary to appoint one Assistant Labour Commissioner at each regional

headquarters namely, Bombay, Culcutta, Madras, Jabalpur, Kanpur, Dhanbad and Hyderabad, and two Labour Enforcement Officers in each region. Taking into account the administrative work that may devolve on the office of the Chief Labour Commissioner and the Department of Labour and Employment, the following staff is likely to be required :—

I. *Department of Labour and Employment*

1.	Section Officer	1	Rs. 350 (400)—900
2.	U.D.C.	1	
3.	L.D.C.	1	

II. *Office of the Chief Labour Commissioner*

1.	Regional Labour Commissioner	1	Rs. 900—1250
2.	Section Officer	1	
3.	Stenographer	1	
4.	Assistants	2	
5.	U.D.Cs.	2	
6.	L.D.Cs.	2	
7.	Daftry	1	
8.	Peons	2	

III. *Regional Headquarters*

1.	Assistant Labour Commissioners	7	Rs. 600—950
2.	U.D.Cs.	7	
3.	L.D.Cs.	7	
4.	Peons	7	

IV. *For field work*

1.	Labour Enforcement Officers	14	Rs. 350-25-575
2.	L.D.Cs.	14	
3.	Peons	14	

The total non-recurring expenditure likely to be incurred on the purchase of furniture, typewriters, etc., will amount to Rs. 37,000 and recurring expenditure to about Rs. 4,52,000 per annum.

3. In addition to the expenditure mentioned above expenditure on T. A. and D. A of the non-official members of the Central Advisory Board, to be constituted under clause 3 and Committees to be constituted under clause 5 of the Bill will also be met by the Department of Labour and Employment. For holding two meetings in a year the expenditure is likely to be Rs. 10,000 per annum, thus increasing the annual recurring expenditure to Rs. 4,62,000.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 16 of the Bill empowers the appropriate Government to make rules regarding canteens to be provided by contractors in every establishment wherein contract labour numbering one hundred or more is ordinarily employed and wherein work requiring employment of contract labour is likely to continue for the prescribed period. The matters in respect of which rules may be made relate to the date by which the canteens should be provided, the number of canteens, the standards in respect of construction, accommodation and furniture to be provided and the food-stuffs which may be served and the charges which may be made therefor.

2. Clause 28(2) of the Bill provides for the making of rules subject to which the Inspecting staff may exercise the powers of entry, inspection, search and seizure conferred under that clause.

3. Clause 35 of the Bill empowers the appropriate Government to make rules for carrying out the purposes of the Act. The various matters in respect of which rules may be made are specified in sub-clause (2) of that clause. They relate *inter-alia* to the constitution of the Central and the State Advisory Boards, the procedure to be followed by the Central Board and the State Boards and by the Committees thereof, manner and procedure for registration of establishments, the form of application for the grant or

renewal of licences for contractors, etc., the form and manner in which appeals may be filed and the procedure to be followed by appellate officers, the manner and time within which facilities like canteens, rest-rooms, supply of wholesome drinking water, latrines, urinals and first-aid facilities shall be provided and maintained by the contractor, and in certain contingencies, by the principal employer, the period within which the wages have to be paid by the contractor and the manner in which the representative of the principal employer should certify the payment of wages, the forms of registers to be maintained and the returns to be submitted.

4. These are all matters of administrative procedure and detail. The delegation of legislative power is thus of a normal character.

S. L. SHAKDHER,
Secretary.

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